

Attachment A
Schedule of Required Actions for City of Carthage

ACTION (MILESTONE)	DATE
Installation of chlorine contact chamber, associated equipment and piping as shown on "City of Carthage, Texas Wastewater Treatment Plant Disinfection System Improvements Construction Drawings" dated October, 2003, as amended as of September 1, 2004 (Construction Drawings).	August 20, 2004
Completion of disinfection building as shown on Construction Drawings	August 20, 2004
Installation of disinfection equipment as shown on Construction Drawings	August 20, 2004
Disinfection system startup	August 24, 2004
Finalization of O&M manual	120 days after Effective Date of Consent Decree
Training Agenda	60 days after City receipt of written EPA approval of manual
Training	No later than December 31, 2005 and 2006
Develop and submit a CWA handbook	90 days after entry of Consent Decree
SEP Completion	12 months after entry of Consent Decree
SEP Completion Report	30 days after SEP completed

Proposal for Supplemental Environmental Project

A. Background Information

Pursuant to the Consent Decree, the City of Carthage ("City") will implement a Supplemental Environmental Project ("SEP"), referred to in the Consent Decree as the Septic Tank Replacement SEP. The SEP shall be completed within twelve (12) months after the effective date of the Consent Decree.

B. The Proposal

The specific SEP proposal is for the City to lay additional sewer lines that will be made available to residences within the City. We expect that approximately twenty-nine (29) residences, the majority of which are low to moderate income, will receive sewer service through the new sewer lines for the first time. The new sewer system will eliminate inoperable septic tanks that may contribute to contamination of Dixie Lake.

As shown in the attached information from Stokes & Associates, Inc., the total project cost is approximately \$323,000. Pursuant to the Consent Decree, the City will not spend less than Two Hundred Thirty Thousand Dollars (\$230,000) in eligible SEP costs. Eligible SEP costs include the costs of planning and implementing the SEP. The City will make sewer services available to approximately twenty-nine (29) existing residential units in an area not presently served by any City sewer district. The City certifies that all cost information provided to the Environmental Protection Agency ("EPA") in connection with EPA's approval of the SEP is complete and accurate and represents a fair estimate of the costs necessary to implement the SEP.

C. Compliance with EPA policy

We believe the above proposal should be approved by EPA Region 6 as an eligible SEP for the purpose of mitigating the amount of any civil penalty imposed on the City in the existing administrative complaint. The proposal satisfies the requirements of the *EPA Supplemental Environmental Projects Policy* for the following reasons:

1. The installation of additional sewer lines, the replacement of domestic septic tanks in order to provide new City-provided sewer service to approximately twenty-nine (29) residences and the resulting protection of downgradient surface and ground water resources from septic tank sewage overflows is clearly "environmentally beneficial" to the residents of the City of Carthage and the surrounding areas.
2. This SEP will be undertaken in connection with the settlement of an enforcement action, *United States and the State of Texas v. City of Carthage, Texas*, taken on behalf of the U.S. Environmental Protection Agency and the Texas Commission on Environmental Quality under the Clean Water Act.

3. The City is not otherwise required to construct or install the proposed additional sewer lines by any federal, state or local law or regulation. The City is also not required to install the new sewer lines or provide sewer services to the existing residential units pursuant to any agreement, grant or as injunctive relief awarded in any other action in any forum.

4. The installation of new sewer lines pursuant to this SEP is not a project that the City had planned or committed to perform prior to the initiation of the enforcement action by the EPA and DOJ which will be resolved in the Consent Decree.

5. The existing residential area does not have infrastructure in place or plans for such infrastructure to provide City-provided sewer services in the area.

6. The expenditure of approximately \$230,000 is in addition to all other present and planned expenses for the City.

7. The City has not received, and is not negotiating to receive, credit for the SEP in any other enforcement action.

8. The City will not receive any reimbursement for any portion of the eligible SEP costs.

Please give the above your consideration. We look forward to your quickest response, and would be happy to provide any additional information and/or amplification of the above you may require.

STOKES & ASSOCIATES, INC.
CONSULTANT ENGINEERS

November 4, 2003

Mr. Charles Thomas, City Manager
City of Carthage
P O Box 400
Carthage, TX 75633-0400

Re: Office of Rural Community Affairs
Texas Community Development Program
2004/2005 Sewer and Water Improvements Project

Dear Mr. Thomas:

The Office of Rural Community Affairs (ORCA) has posted the final scores for the 2004/2005 East Texas Region's, Texas Community Development Program (TCDP) and we are pleased to report that the City's proposed Dixie Lake sewer and water improvements project will be funded. As you will recall, the project includes first time sewer service to 29 houses. The new sewer collection system will eliminate inoperable septic tanks that contaminate Dixie Lake. Additionally, the project includes the installation of approximately 3000 linear feet of 8" diameter water main and 5 fire hydrants that will provide fire protection to 20 houses. Below is a summary of activity cost associated the proposed work.

Sewer Activity	\$259,500
Water Activity	\$115,650
Engineering	\$63,775
Grant Administration	\$40,000
Property Acquisition	\$2,000
Project Total	\$480,925

TCDP Funds	\$250,000
City Funds	\$230,925

Thank you for allowing Stokes & Associates to assist you with this project. Please do not hesitate to call if you have any questions or if we can help you in any way.

Sincerely,

Neal Holland

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